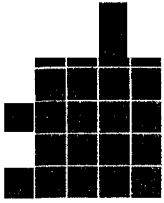


S0370116

cc: Joel  
Daron  
Paul



State of Utah  
School & Institutional  
Trust Lands Administration

Jon M. Huntsman, Jr.  
Governor

Kevin S. Carter  
Director

675 East 500 South, Suite 500  
Salt Lake City, UT 84102-2818  
801-538-5100  
801-355-0922 (Fax)  
www.trustlands.com

September 10, 2007  
Certified Mail # 7160 3901 9842 1746 8789

Mike Murphy  
833 No. Grayson Parkway  
Blanding, UT 84511

RE: ML 49721

Dear Mr. Murphy:

On August 10, 2007, the above numbered minerals permit was cancelled for non-payment of the required annual rental, due June 1, 2007. The permittee no longer has any rights granted under the permit and is required to immediately reclaim all mined land disturbances upon the permit lands.

The lands covered by the permit are described as T38S, R24E, SLB&M, Section 16: S2NW4, San Juan County, Utah. The permittee must immediately removal of all trash, debris, pallets, oil spills or other contamination from the surface of the lands and must regrading the disturbed surface to approximate natural contours of the adjacent terrain. The regarded areas must be reseeded using an approved seed mixture. You should coordinate mined land reclamation efforts with the Utah Division of Oil, Gas & Mining, which is the state regulatory agency in such matters. I urge you to immediately contact Mr. Paul Baker, DOGM (801) 538-5261 in this regard.

I have received a request from Safeco Surety, 22425 E. Appleway Ave Ste 12, Liberty Lake, WA, 99019, in behalf of Moon Mountain Stone Co., 577 E. 2850 N., North Ogden, UT 84414, to release Surety Bond #6082849, posted as a reclamation bond for the above numbered minerals permit. Please be advised that the surety bond may not be released until reclamation of mined land disturbance is satisfactorily completed. If reclamation is not completed within 90 days from date of this letter then the reclamation bond may be forfeited to the Trust Lands Administration.

Please contact me if you have any questions in this matter.

Sincerely,

John T. Blake  
Trust Land Specialist

CC: Moon Mountain Stone  
Safeco Insurance Co.  
Paul Baker